

# John J. Heldrich Center for Workforce Development **research brief**

## **The Labor Market, Then and Now: Changing Realities in the 21st Century**

by Carl Van Horn and Nicole Corre

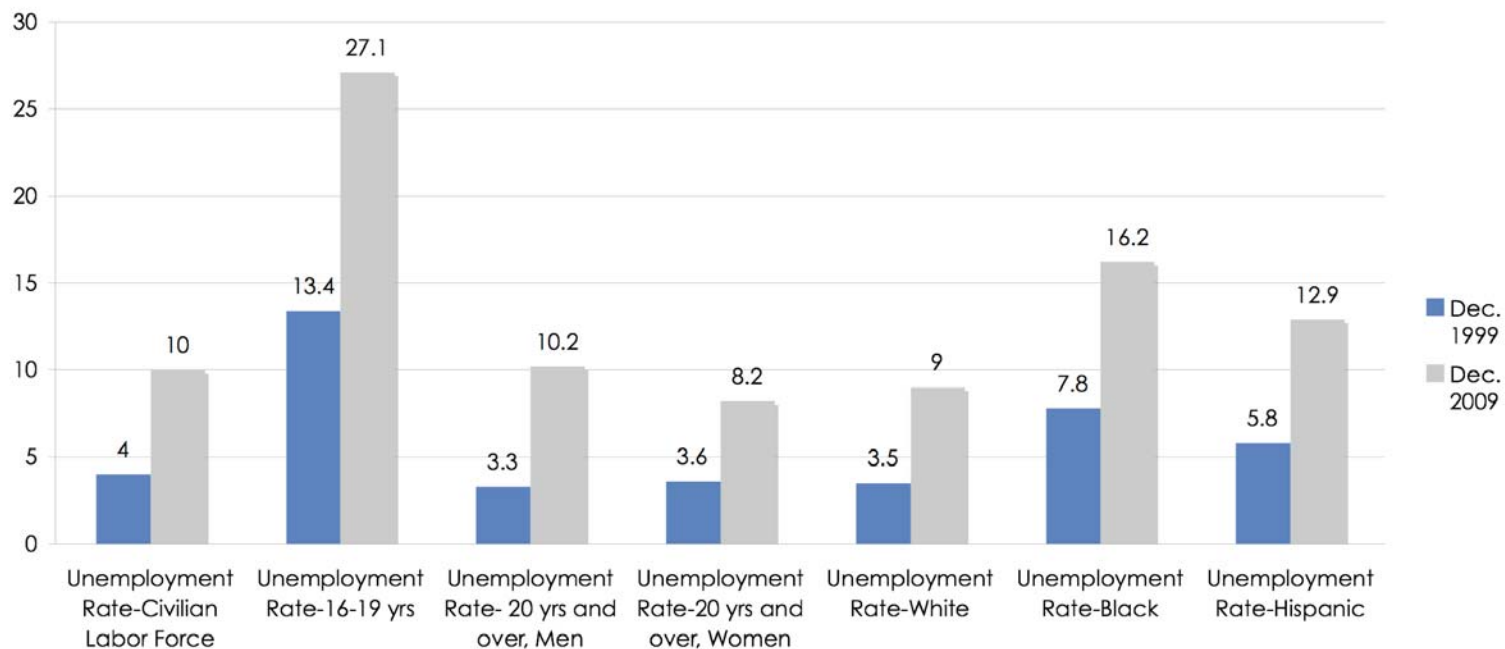
The labor market, workforce, and education are undergoing significant changes in the first decade of the 21st century. While it is widely known that the unemployment rate skyrocketed during the Great Recession, other features of work in America have also undergone profound, but less visible changes. This research brief provides insights and clarity about the mega-trends of work in America by assembling key indicators from the most authoritative sources available.

The new realities about work, education, careers, occupations, and retirement are shaping Americans' attitudes about work. This brief also profiles the changing perceptions of workers from the Heldrich Center's *Work Trends* series of national surveys that began in 1998.

## Widespread Unemployment, but Worse for Some Americans

*Cutting across genders, age groups, and ethnicities, the unemployment rate was up drastically in 2009 as compared to December 1999. Not only is the unemployment rate up for all demographic groups, it is more than double in each category. Everyone is hurting in the current downturn, and bear in mind these numbers only reflect those who are unemployed and still looking for work; those workers who have given up or those working part time, but seeking full-time work, are not included here.*

**Figure 1: The Unemployment Rate by Age, Gender, and Race**

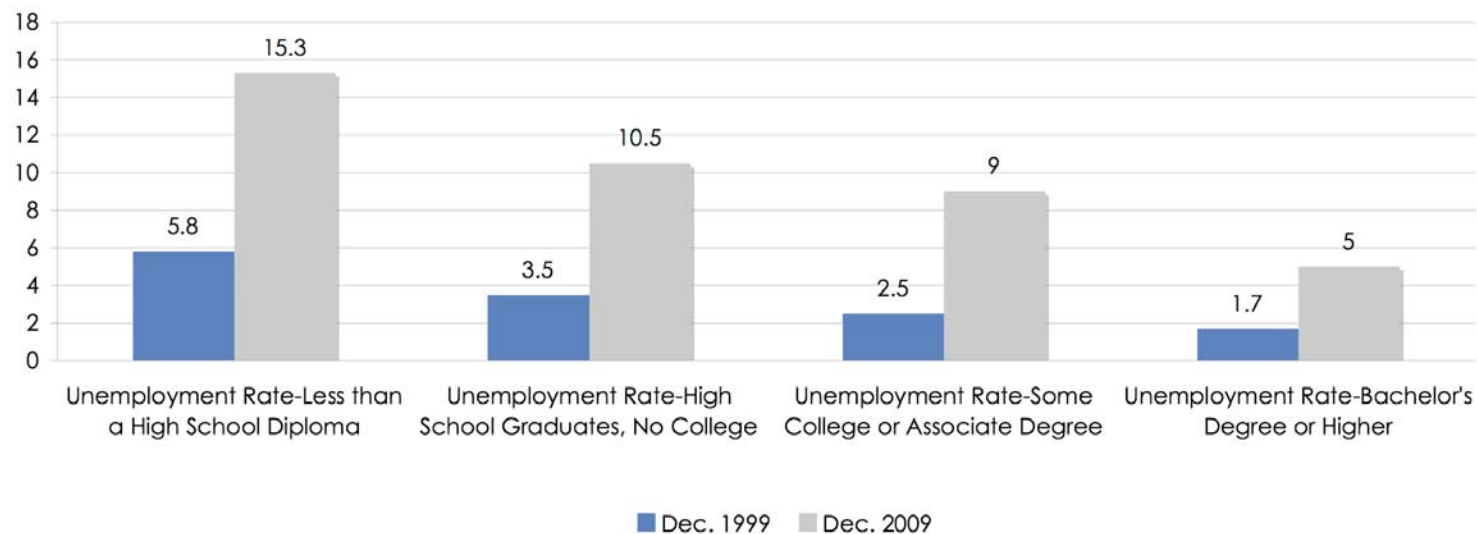


Source: U.S. Census Bureau, Current Population Survey, December 2009; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program, December 2009.

## High Unemployment at All Levels of Education

*While those with higher levels of education generally experience lower levels of unemployment, the unemployment rate has risen significantly for each group as compared to 10 years ago. The unemployment rate is lowest for those with a Bachelor's degree or higher, and it is one-third of the unemployment rate for those without high school diplomas. Unemployment, however, is up significantly for all groups, demonstrating that a degree is not necessarily a guarantee of job security.*

**Figure 1A: The Unemployment Rate by Education Level**

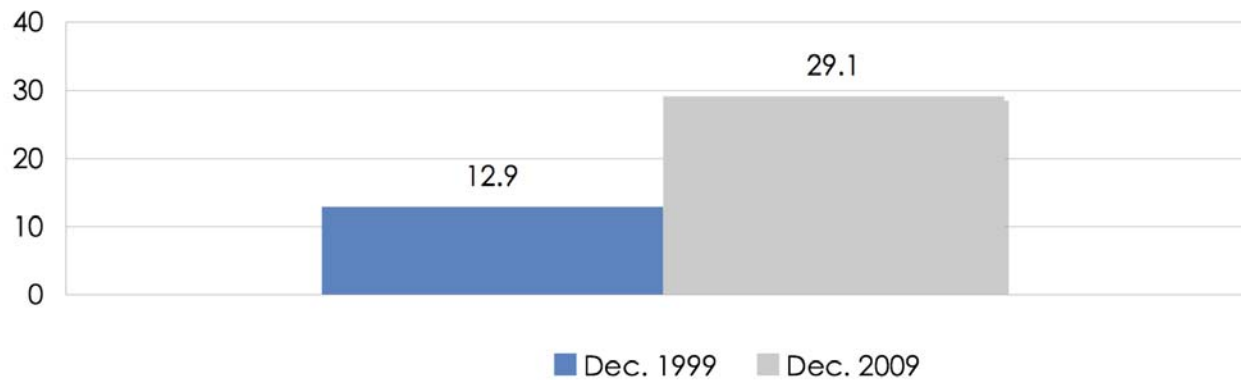


Source: U.S. Census Bureau, Current Population Survey, December 2009; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics Program, December 2009.

## A Longer Job Search for the Unemployed

*The amount of time, on average, that an unemployed worker spends looking for a job has more than doubled from 1999 to 2009, from slightly over three months to more than seven months. Many Americans are out of work much longer than they expected, and have exhausted savings they set aside in the event they became unemployed. This is the longest average length of unemployment since 1948 when the data were first collected.*

**Figure 2: Average Number of Weeks Workers are Unemployed**

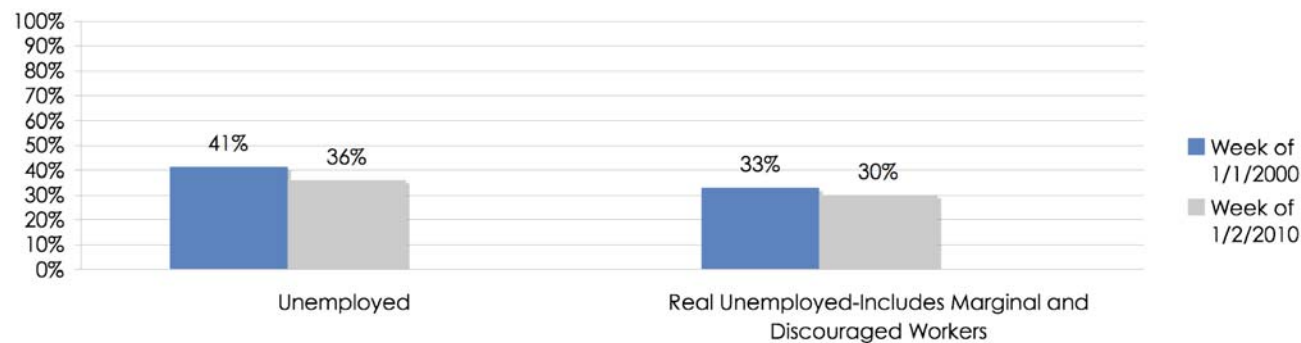


Source: U.S. Census Bureau, Current Population Survey, December 2009.

## Unemployment Insurance Covers Fewer Workers

*It is a common assumption that the unemployed can rely on Unemployment Insurance to help until they find another job, but only 36% of those who are unemployed but still looking for work are covered by Unemployment Insurance. If those who are discouraged and no longer looking for work are factored into this equation, only 30% of the unemployed are covered.*

**Figure 3: Unemployed Workers with Unemployment Insurance  
(as a percentage, seasonally adjusted)**



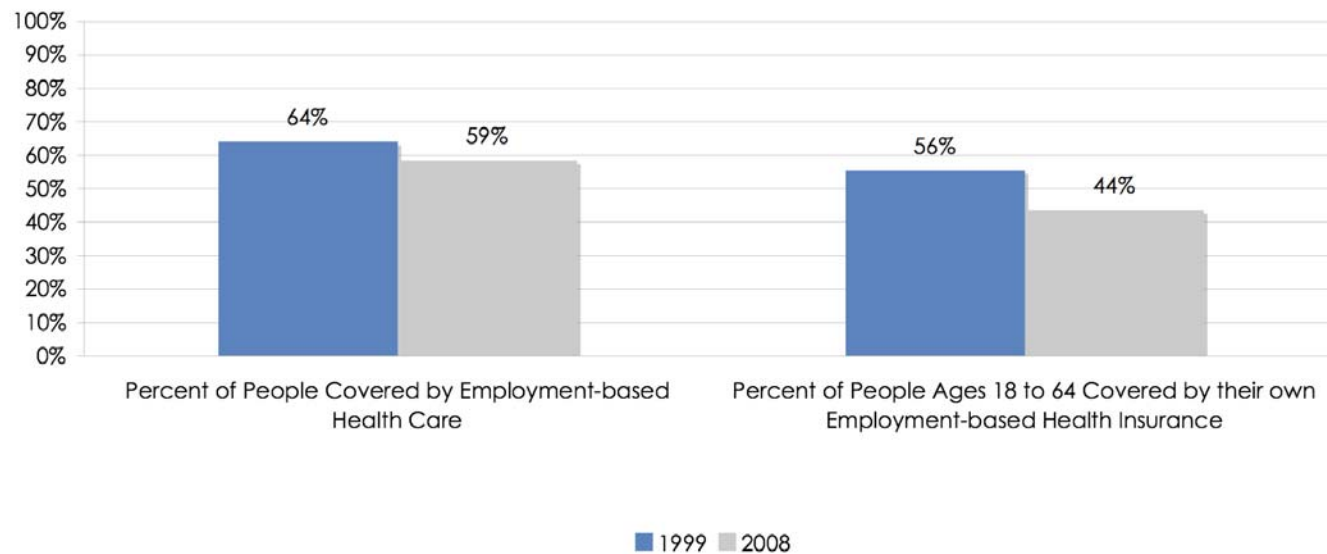
Source: U.S. Department of Labor, Employment and Training Administration, Unemployment Insurance Weekly Claims Report.

*The figures presented here are based on a methodology developed by the Center on Budget and Policy Priorities, (Initial claims+continued claims)/total unemployed=UI coverage rate). For the "Real Unemployed" figure, a broadened definition was applied to include members of the population that are not working but would like to be, and are not counted as unemployed. Sources: "Unemployment Weekly Claims Report," Employment and Training Administration, U.S. Department of Labor; Chad Stone, Robert Greenstein, and Martha Coven, "Addressing Longstanding Gaps in Unemployment Insurance Coverage," Center on Budget and Policy Priorities, August 7, 2007, <http://www.cbpp.org/cms/?fa=view&id=517>.*

## Health Care Benefits are Declining

*The percent of Americans with employer-provided health care has dropped since 1999. In 2008, 59% of Americans received health care through an employer (either theirs or a family member's) as compared to 64% in 1999. Only 44% of Americans ages 18 to 64 received health care through their employer, as opposed to 56% in 1999.*

**Figure 4: Health Insurance Coverage**

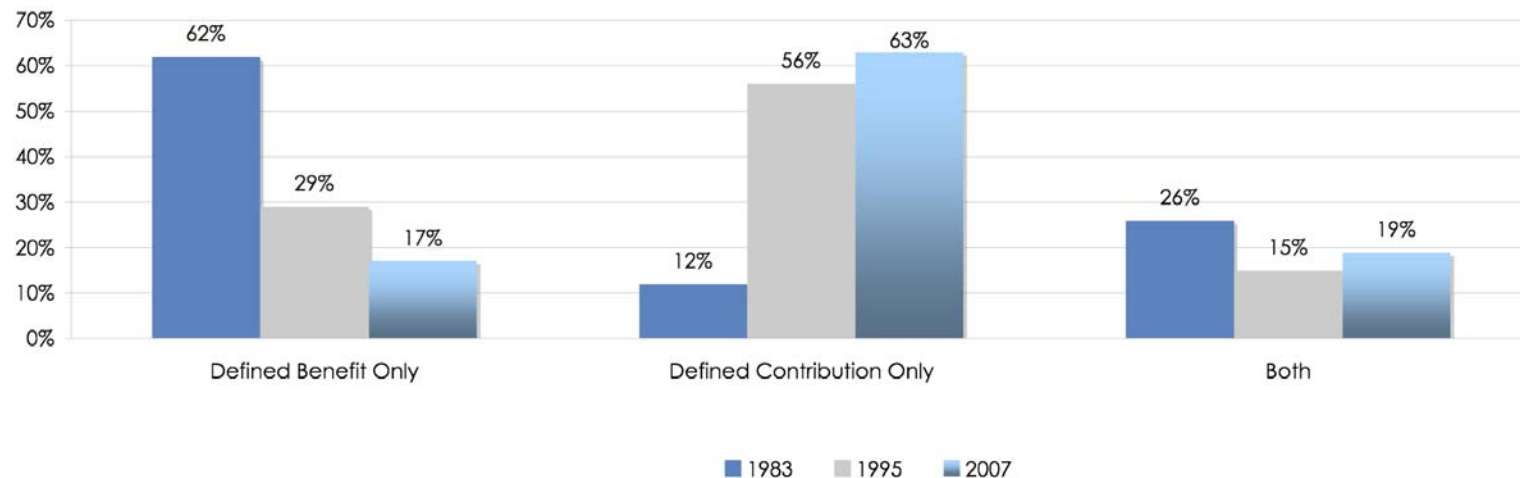


Source: U.S. Census Bureau, Current Population Survey, 2008.

## An Uncertain Retirement Income

*In 1983, the majority of workers with a pension plan had a “Defined Pension Plan,” guaranteeing set benefits upon retirement for life. In 2007, the majority of workers had a “Defined Contribution Plan,” which has no guaranteed benefits but rather depends on contributions to and investment earnings on the participant’s account.*

**Figure 5: Workers with Pension Coverage, by Pension Type, 1983, 1995, and 2007**

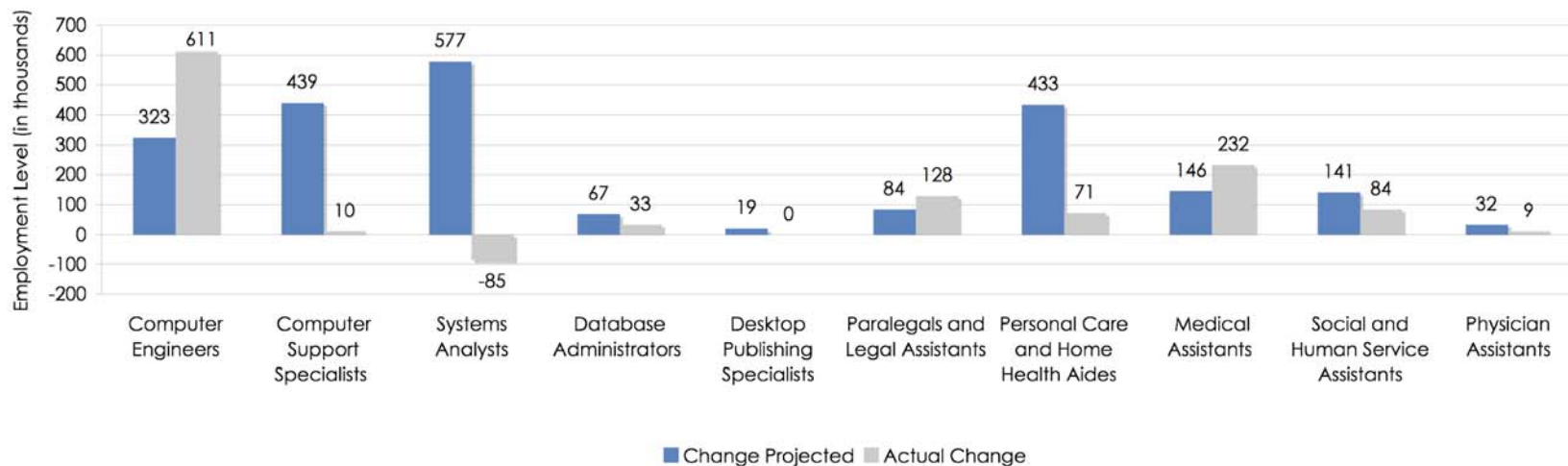


*Source: Center for Retirement Research at Boston College, calculations based on data from the U.S. Board of Governors of the Federal Reserve System Survey of Consumer Finances (various years).*

## What's the "Next Big Thing" in the Job Market?

*Forecasting the **fastest growing occupations** over 10 years has proven to be an inexact science, and job seekers should take such projections with a grain of salt. The projections released from 1998 through 2008 were mostly wrong, demonstrating the unpredictability of the labor market and economy. These data show how difficult it is to predict which occupations will "boom" over the coming decade.*

**Figure 6: Fastest Growing Occupations: As Projected in 1998 through 2008, Against Actual Employment Level in 2008**



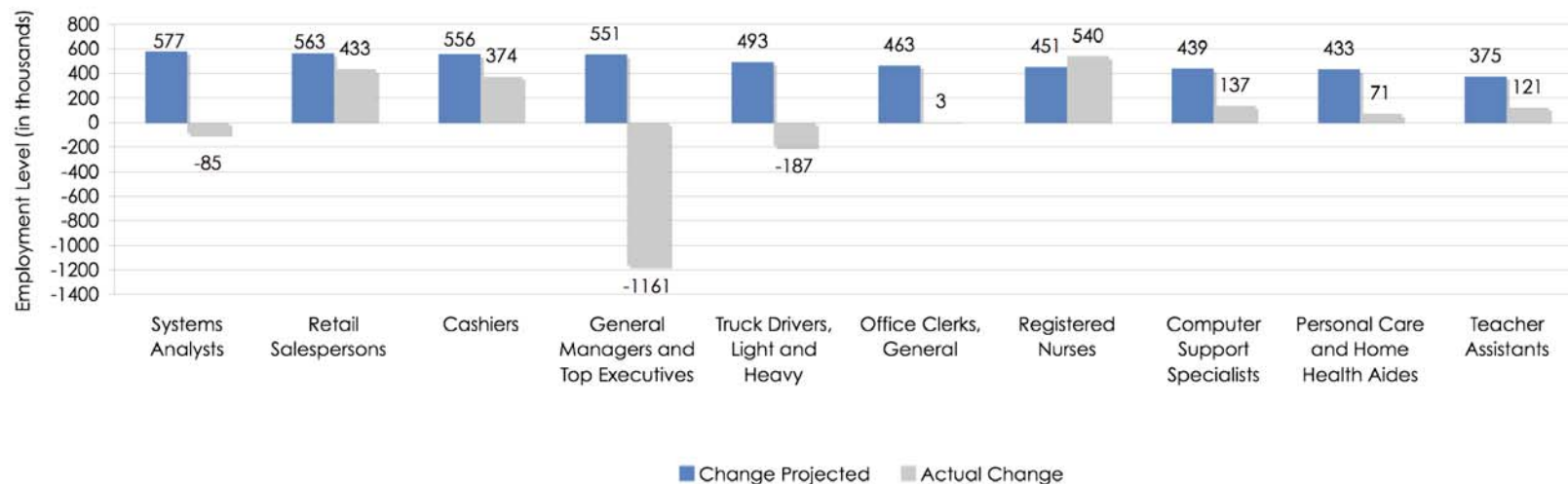
Source: U.S. Bureau of Labor Statistics, Employment Projections Program, Employment Projections 1998-2008, news release, November 30, 1999.



## Job Growth Predictions are Uncertain

*Predicting which occupations will experience the **largest growth** is also very difficult. While some occupations met or came close to expectations, many of these predictions were off by a long shot. Job growth depends largely on macroeconomic trends and industry growth, which are difficult to forecast and can be derailed by an economic downturn.*

**Figure 6A: Occupations Projected to Experience the Largest Job Growth from 1998-2008, Against Actual Growth to 2008**



Source: U.S. Bureau of Labor Statistics, Employment Projections Program, Employment Projections 1998-2008, news release, November 30, 1999.

## Who Made the Most Money?

*Over the past 10 years, there has not been much change in the highest paying jobs as measured by Mean Annual Salary. Surgeons and medical specialists continue to make up many of these occupations, while lawyers and CEOs have also held on to spots in the top 20.*

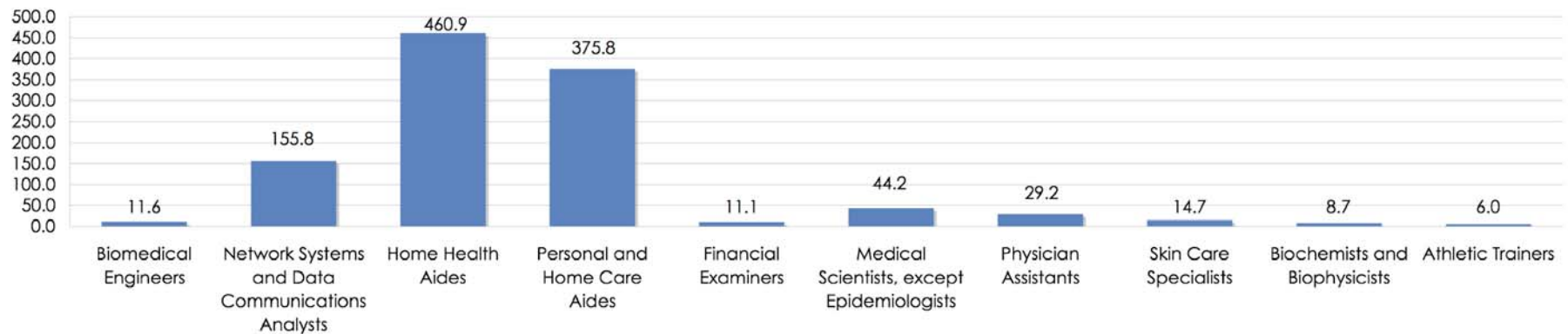
**Table 1: The 20 Highest Paying Occupations**

The 20 Highest Paying Occupations in 1999	Mean Annual Salary	The 20 Highest Paying Occupations in 2008	Mean Annual Salary
Surgeons	\$ 174,694	Surgeons	\$ 205,973
Obstetricians and Gynecologists	\$ 174,398	Anesthesiologists	\$ 196,867
Anesthesiologists	\$ 159,396	Orthodontists	\$ 194,236
Internists, General	\$ 158,752	Obstetricians and Gynecologists	\$ 192,094
Pediatricians, General	\$ 145,205	Oral and Maxillofacial Surgeons	\$ 189,743
Dentists	\$ 136,668	Internists, General	\$ 176,111
Family and General Practitioners	\$ 134,041	Prosthodontists	\$ 169,206
Psychiatrists	\$ 133,487	Physicians and Surgeons, All Other	\$ 164,413
Chief Executives	\$ 130,371	Family and General Practitioners	\$ 160,915
Podiatrists	\$ 128,890	Chief Executives	\$ 159,869
Airline Pilots, Copilots, and Flight Engineers	\$ 126,559	Dentists, General	\$ 153,721
Lawyers	\$ 116,360	Psychiatrists	\$ 153,502
Engineering Managers	\$ 105,028	Pediatricians, General	\$ 152,824
Optometrists	\$ 100,122	Dentists, All Other Specialists	\$ 141,565
Physicists	\$ 98,048	Podiatrists	\$ 125,313
Astronomers	\$ 97,688	Lawyers	\$ 124,306
Computer and Information Systems Managers	\$ 95,846	Natural Sciences Managers	\$ 122,702
Air Traffic Controllers	\$ 94,249	Engineering Managers	\$ 120,151
Nuclear Engineers	\$ 93,837	Airline Pilots, Copilots, and Flight Engineers	\$ 119,324
Political Scientists	\$ 93,825	Petroleum Engineers	\$ 118,716

## Uncertainty Surrounds Labor Market Predictions for the Next Decade

*While the uncertainty surrounding occupational forecasts is great, job seekers might note that half of the occupations projected to experience the fastest growth are in **health care and medical fields**, while the others are diverse, ranging from financial examiners to athletic trainers.*

**Figure 7: Ten Occupations with the Fastest Projected Growth, 2008-2018**

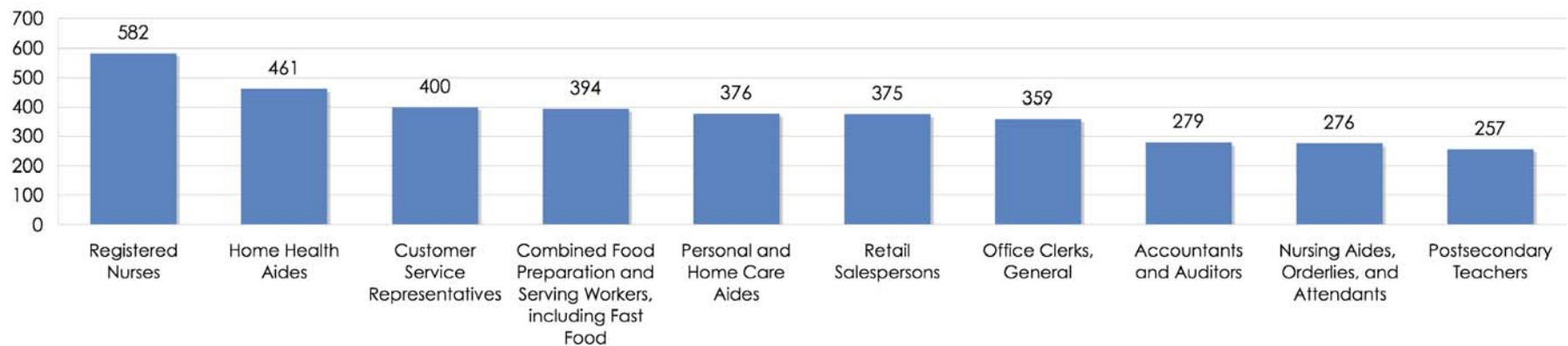


Source: U.S. Bureau of Labor Statistics, Employment Program, Employment Projections 2008-2018, news release, December 11, 2009.

## Where Will Most of the Jobs Be?

*Most of the occupations predicted to experience the largest job growth are ones that **currently comprise** a major source of employment for the labor force. Occupations such as nurses, home health aides, retail salespersons, and office clerks are jobs that cannot be outsourced to other countries.*

Figure 7A: Ten Occupations with the Largest Projected Growth, 2008-2018

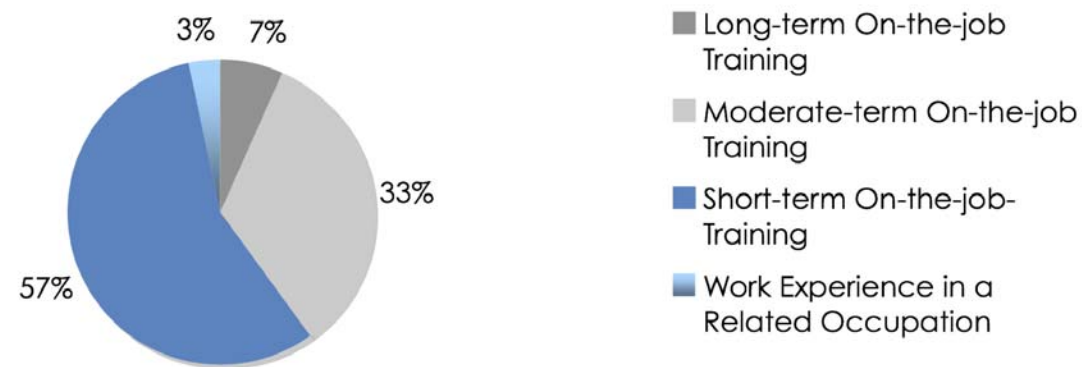


Source: U.S. Bureau of Labor Statistics, Employment Program, Employment Projections 2008-2018, news release, December 11, 2009.

## Education and Work

*The 30 occupations with the largest **projected decline** through 2018 all require short-term, on-the-job training rather than any postsecondary level of education. Workers who are laid off from such occupations may find that they have a narrow skill set specific to that occupation, which may not translate well into another role, an especially difficult situation for workers who possess training specific to industries that have experienced steep decline.*

**Figure 8: Most Significant Source of Postsecondary Education Required for the 30 Occupations with the Largest Employment Decline Projected, 2008-2018**

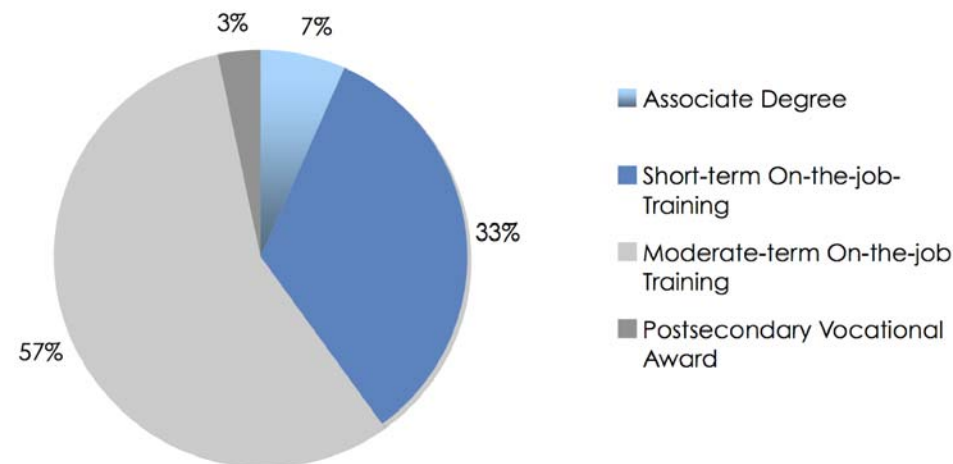


Source: U.S. Bureau of Labor Statistics, Employment Program, Employment Projections 2008-2018, news release, December 11, 2009.

## In the Future, Most Jobs Will Not Require a College Degree

*The occupations with the largest **projected growth** require a wide range of education and skill levels, indicating opportunities for job seekers at various skill and education levels. While it is difficult to forecast job growth for specific occupations, it may be helpful for job seekers to bear in mind that although education costs have risen, none of the occupations forecast for steep decline require postsecondary education, while among the occupations forecast for growth, there are opportunities for job seekers at various levels of skill and education.*

**Table 8A: Most Significant source of Postsecondary Education Required for the 30 Occupations with the Largest Employment Growth Projected, 2008-2018**

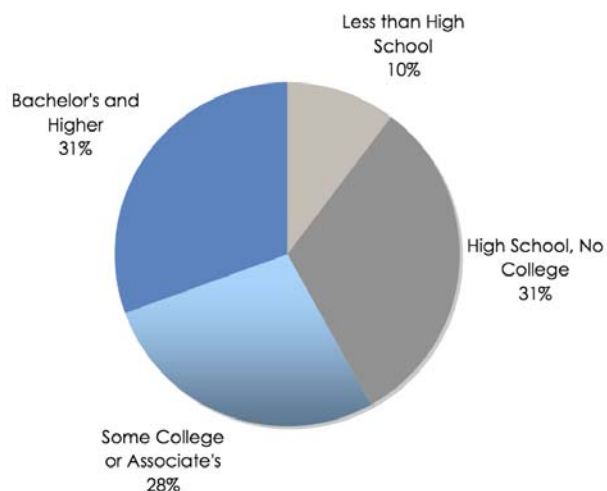


*Source: U.S. Bureau of Labor Statistics, Employment Program, Employment Projections 2008-2018, news release, December 11, 2009.*

## College Graduates: Is there Room for Everyone?

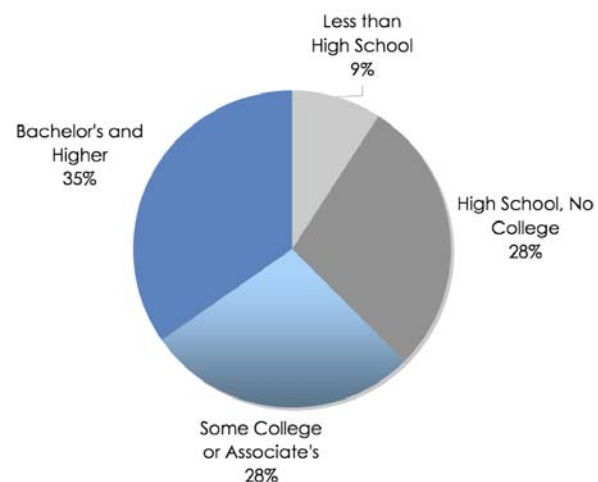
*The projected retirement of many Baby Boomers during the 1998-2008 period was expected to create enough room in the labor market for the large number of college graduates predicted to enter the labor force over that period. Baby Boomers, however, have remained in the labor force longer, college graduates have outpaced forecasted growth, and this segment of the labor force has grown while job openings have not kept pace.*

Figure 9: The Labor Force, December 1999



"For the first time in many years, a Bureau of Labor Statistics analysis finds that total college-level job openings between 1998 and 2008 will nearly equal the number of college-educated entrants to the labor force. And a primary reason is the large number of retirements expected from workers at the leading edge of the "baby boom" generation – those born between 1946 and 1964 – who are in college level jobs."  
 - "The outlook for college graduates, 1998-2008: A balancing act," *Occupational Outlook Quarterly*, Bureau of Labor Statistics, Fall 2000.

Figure 9A: The Labor Force, December 2009



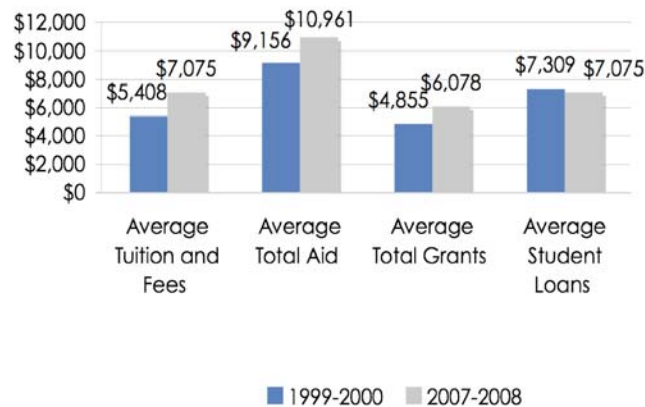
"As the sour economy dries up employment prospects, more than four-in-ten nonworking people say they have tried without success to find a job. At the same time, nearly four-in-ten employed adults ages 62 and older say they bad economy has forced them to delay their retirement plans."

- *Recession Turns Graying Office Grayer: America's Changing Workforce*, Pew Research Center, September 2009.

## Up, Up, and Away Goes the Cost of an Education

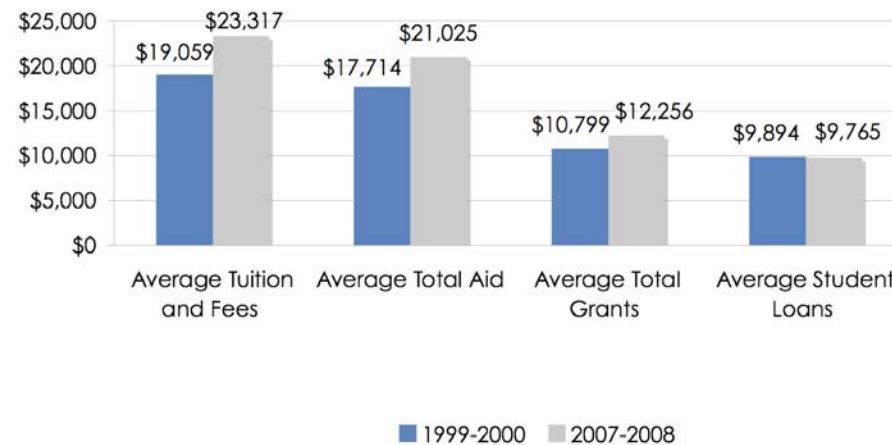
*The price of college has risen over the past 10 years at both public and private four-year institutions. While private colleges remain significantly more costly than public colleges, the average amount of financial aid and grants awarded to students in private colleges is also significantly more than is awarded to students at public colleges. On average, students depend mainly on financial awards and grants to finance education, and turn to student loans to fund the remaining cost.*

**Figure 10: Average Cost and Financial Aid for Students at Four-year Public Institutions, 2000 vs. 2008 (2009 dollars)**



Public Institutions

**Figure 10A: Average Cost and Financial Aid for Students at Four-year Private Institutions, 2000 vs. 2008 (2009 dollars)**



Private Institutions

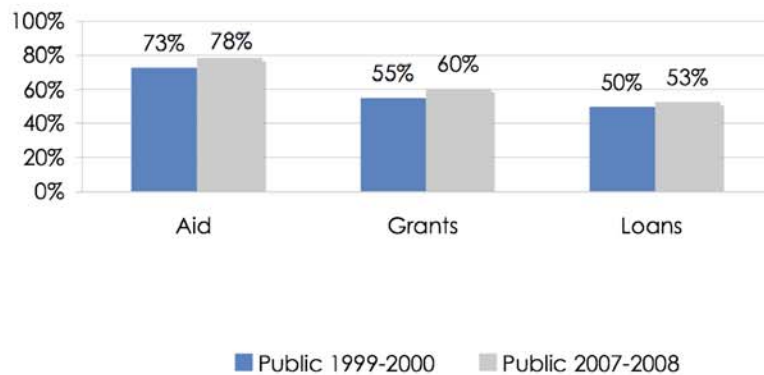
Source: U.S. Department of Education, National Center for Education Statistics, the National Postsecondary Student Aid Survey, 2008.



## Who's Footing the Bill for College?

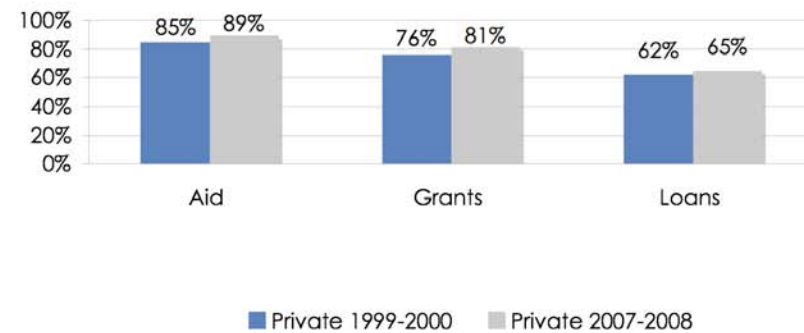
*Most students at both public and private universities receive financial aid awards and grants to finance their education. Fifty-three percent of those who attend public colleges and 65% at private colleges take out loans to finance the remaining balance of the cost. As the cost of education has risen over the past 10 years, the percentage of students receiving aid and grants has also increased.*

**Figure 11: Percent of Students Attending Public Four-year Institutions Receiving Financial Aid, Grants, and Loans**



Public Institutions

**Figure 11A: Percent of Students Attending Private Four-year Institutions Receiving Financial Aid, Grants, and Loans**



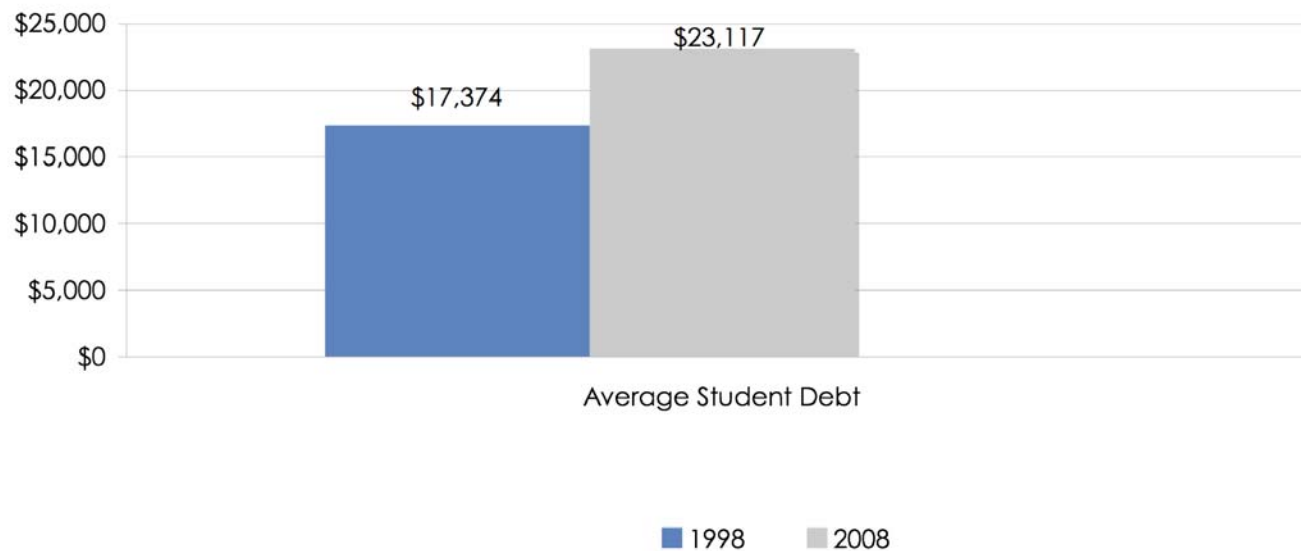
Private Institutions

Source: U.S. Department of Education, National Center for Education Statistics, the National Postsecondary Student Aid Survey, 2008.

## The Rising Debt Burden of College Graduates

*The average graduating college senior today owes \$23,117 in student loan debt, up from \$17,374 in 1998. Graduates with large sums of debt to pay off are entering a very uncertain labor market, and repaying these loans may prove to be a major problem for those forced to accept low-paying positions or those who are unable to find a job.*

**Figure 12: Average Student Loan Debt for Students Graduating from Four-year Institutions (2009 Dollars)**



*Source: The Project on Student Debt, calculations based on data from the National Postsecondary Student Aid Survey (NPSAS), conducted every four years by the U.S. Department of Education's National Center for Education Statistics.*

## Changing American Attitudes About Work from the Heldrich Center's Work Trends Series, 1999 to 2009

During the first decade of the 21st century, American workers experienced a severe loss of confidence in the U.S. economy, which has led to significant changes in their attitudes toward work:

1. **Job Security.** In 2009, **only 41%** of working Americans felt **very satisfied** with the security of their jobs, down from **59%** a decade ago.
2. **Hours Worked.** In 1999, **59%** were **very satisfied** with the number of hours they were able to work and earn money each week. Today, **only 37%** of workers feel that way.
3. **Overall Job Satisfaction.** Less than half of America's workforce (**49%**) is **very satisfied** with their job today – a significant drop from **59%** a decade ago.
4. **Health and Medical Coverage.** **Satisfaction** with health and medical coverage has fallen from **43%** to **31%** since 1999.
5. **Balancing Work and Family.** In 1999, half of the workforce (**51%**) was **very satisfied** with their ability to balance the demands of work and family life. Today, **only 40%** feel that work is not intruding on their family time. The **percentage of women satisfied** with their work-life balance has dropped from **52%** to **44%**, while **men** were even more dismayed as their satisfaction level plummeted from **49%** to **36%**.
6. **Annual Income.** **Only 31%** were **very satisfied** with their income 10 years ago, and today the figure is down to **22%**.
7. **Working Women.** Working women have been especially dismayed by the changes in the workplace during the past decade. Those reporting **satisfaction** with **health benefits** plunged from **44%** to **25%**, from **62%** to **39%** in terms of **number of hours worked** each week, and from **60%** to **42%** regarding their sense of **job security**.

## Changing American Attitudes About Work from the Heldrich Center's *Work Trends Series, 1999 to 2009 (continued)*

8. **Training Opportunities.** Workers report fewer opportunities for additional education and on-the-job training, down from **40%** to **28%** since 1999. **Younger workers under 40** are **particularly disappointed**, with their satisfaction levels dropping from **42%** to **26%**.
9. **Retirement and Pension Options.** Only a third of the workforce (**34%**) was **satisfied** with their retirement benefits 10 years ago. Now, that number has fallen to **24%**.
10. **Future Job Prospects.** In 1999, **70%** of workers considered it a **good time to be looking for a quality job**. **Only 12%** believed that in 2009. Similarly, **64%** were confident that **they could find a new job as good or better than their previous job**, while **only 20%** believe that today.

To better understand the public's attitudes about work, employers, and the government, and improve workplace practices and policy, the Heldrich Center produces the *Work Trends* surveys on a regular basis. The surveys poll the general public on critical workforce issues facing Americans and American businesses, and promote the findings widely to the media and national constituencies. The series is co-directed by Carl E. Van Horn, Ph.D., Director of the Heldrich Center, and Cliff Zukin, Ph.D., Senior Faculty Fellow at the Center and Professor of Public Policy and Political Science at Rutgers University.

The complete set of reports is available at [www.heldrich.rutgers.edu](http://www.heldrich.rutgers.edu).

Adapted from *What a Difference a Decade Makes: The Declining Job Satisfaction of the American Workforce*, December 2009, John J. Heldrich Center for Workforce Development, Edward J. Bloustein School of Planning and Public Policy, Rutgers University.

Available at: <http://bit.ly/4Dnoy8>

## About the Heldrich Center

The John J. Heldrich Center for Workforce Development, based at the Edward J. Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey, is a dynamic research and policy center devoted to strengthening the nation's workforce. It is one of the nation's leading university-based centers devoted to helping America's workers and employers respond to a rapidly changing 21st century economy.

The Center's motto – *Solutions at Work* – reflects its commitment to offering practical solutions, based on independent research, that benefit employers, workers, and job seekers. The Center's policy recommendations and programs serve a wide range of Americans at all skill levels.

Learn more about the Heldrich Center at [www.heldrich.rutgers.edu](http://www.heldrich.rutgers.edu).

Subscribe to the Heldrich Center's monthly e-newsletter at <http://eepurl.com/hydg>.

Email [hcwd@rci.rutgers.edu](mailto:hcwd@rci.rutgers.edu) to obtain an accessible version of this brief.

## About the Authors

**Carl Van Horn, Ph.D.** is Professor of public policy and the Director of the John J. Heldrich Center for Workforce Development. He teaches, conducts research, and writes about public policy, economic development, and workforce development.

**Nicole Corre** is a Research Assistant at the Heldrich Center and a Master's of Public Policy student at the Bloustein School for Planning and Public Policy at Rutgers University. Nicole is a Phi Beta Kappa graduate from Rutgers College, where she earned a B.A. in Comparative Literature with high honors.

**RUTGERS**

Edward J. Bloustein School  
of Planning and Public Policy